

Educational Publishers LLP

Registered Number :

OC314882

Annual Report and Financial Statements

For the Year Ended :

31 December 2016

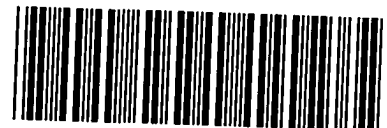
Registered address :

80 Strand, London WC2R 0RL

COMPANIES HOUSE

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Educational Publishers LLP

MEMBERS' REPORT

The members present their report and the audited financial statements of Educational Publishers LLP (the 'partnership') for the year ended 31 December 2016.

The partnership has taken exemption from preparing a Strategic Report in accordance with s414B of the Companies Act 2006 relating to small companies.

Principal activities

The principal activity of the partnership is that of an educational publisher in the markets of schools, revision, languages, life-skills and professional. The partnership remains focussed on the key customer groups of educators, people in education and consumers.

Business review and future developments

During 2016 the markets for the partnership's products have continued to prove challenging, with decline across all core publishing areas.

The partnership for 2016 had turnover of £2,357,000 (2015: £2,149,000), with an operating loss of £404,000 (operating profit in 2015: £163,000). A summary of the results for the year and the financial positions are set out in the financial statements on pages 6 to 25.

The net liabilities attributable to members as at 31 December 2016 are £3,774,000 (2015: £3,370,000).

Whilst the core Schools and Languages trading segments continue to see decline in turnover due to market challenges, licensing income of non-theatric rights has seen further growth on last year as new distributor channels established in 2015 continue to provide opportunities.

Looking forward to 2017, there remain opportunities for continued growth in licensing of non-theatric rights, and in the revision market with the launch of a new product. The Schools market is expected to show continued decline as school funding faces ongoing pressures.

Designated members

The designated members of the partnership during the year and up to the date of signing the financial statements are shown below:

Pearson Education Limited (designated member from 25 August 2005)

BBC Worldwide Limited (designated member from 25 August 2005)

Qualifying third party indemnity provisions and liability insurance

The partnership members have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The partnership also purchased and maintained throughout the financial year liability insurance in respect of its members and its officers.

Going concern

The members believe that preparing the financial statements on a going concern basis is appropriate due to the continued financial support of the ultimate parent company, Pearson plc. The members have received confirmation that Pearson plc intends to support the company for at least 12 months from the date of signing these financial statements.

Statement of members' responsibilities

Company law as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the 'Regulations') requires the members to prepare financial statements for each financial year. Under that law, the members have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS101 "Reduced Disclosure Framework", and applicable law).

Educational Publishers LLP

MEMBERS' REPORT (continued)

Statement of members' responsibilities (continued).

Under company law, the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the partnership and of the profit or loss of the partnership for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the partnership will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the partnership's transactions and disclose with reasonable accuracy at any time the financial position of the partnership and enable them to ensure that the financial statements comply with the Companies Act 2006. The members are also responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

In the case of each of the persons who are members at the time when the report is approved, the following applies:

- so far as the members are aware, there is no relevant audit information of which the partnership's auditors are unaware; and
- the member has taken all the steps that he/she ought to have taken as a member in order to make him/herself aware of any relevant audit information and to establish that the partnership's auditors are aware of that information.

Members' profit share and capital

Each member's capital subscription is linked to their share of profit and is repayable on the basis set out below.

If audited financial statements for the partnership are approved within less than six months from the end of the relevant financial year, the share of the profits, 85% Pearson Education Limited and 15% BBC Worldwide Limited, are paid out within ten business days after the date on which the financial statements were approved.

If the financial statements are not approved within six months the partnership is to:

- a) Make an initial distribution of 80% of the profits (shared according to the appropriate percentages) less than ten business days after the end of the six months subsequent to which the financial statements relate and
- b) Pay the rest within 10 business days after the end of the approval of the financial statements.

There have been no drawings during the year.

The joint venture agreement stipulates that profits are shared between the joint venture partners in accordance with their ownership interest, whereas losses are allocated 100% to Pearson Education Limited.

Signed on behalf of the members



Suzanne Brennan
Director
On behalf of Pearson Education Limited
Designated member

28.09.2017

Registered number :
OC314882

Educational Publishers LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EDUCATIONAL PUBLISHERS LLP

Report on the financial statements

Our opinion

In our opinion, Educational Publishers LLP's financial statements (the "financial statements"):

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the balance sheet as at 31 December 2016;
- the profit and loss account and statement of comprehensive income for the year then ended;
- the statement of members' interests for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the members have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion, the members were not entitled to prepare financial statements in accordance with the small limited liability partnerships regime. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EDUCATIONAL PUBLISHERS LLP continued

Responsibilities for the financial statements and the audit

Our responsibilities and those of the members

As explained more fully in the Statement of Members' Responsibilities set out on page 2-3, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the members of the partnership as a body in accordance with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the limited liability partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the members; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the members' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Brenda Heenan

Brenda Heenan (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Belfast

28 September 2017

Educational Publishers LLP

PROFIT AND LOSS ACCOUNT

For the year ended

31 December 2016

		2016	Restated 2015
	Note	£'000	£'000
Continuing operations			
Turnover	3	2,357	2,149
Cost of sales		(408)	(438)
Gross profit		1,949	1,711
Distribution costs		-	(1)
Administrative expenses		(2,353)	(1,547)
(Loss)/ profit for the financial year before members' remuneration and profit shares	4	(404)	163

Educational Publishers LLP

STATEMENT OF COMPREHENSIVE INCOME

For the year ended

31 December 2016

	2016	2015
	£'000	£'000
(Loss)/ profit for the financial year	(404)	163
Total comprehensive (expense)/ income for the year	(404)	163

Educational Publishers LLP

BALANCE SHEET

As at

31 December 2016

		2016	Restated 2015
	Note	£'000	£'000
Fixed assets			
Intangible assets	7	1,880	2,820
		1,880	2,820
Current assets			
Stocks	8	123	177
Debtors	9	155	195
Amounts due from members		2,157	1,905
		2,435	2,277
Creditors - amounts falling due within one year	10	(289)	(667)
Net current assets		2,146	1,610
Total assets less current liabilities		4,026	4,430
Creditors - amounts falling due after more than one year	11	(7,800)	(7,800)
Net liabilities		(3,774)	(3,370)
Represented by			
Members' other interests			
Other reserves		(3,774)	(3,370)
Total members' deficit		(3,774)	(3,370)

Suzanne Brennan

Suzanne Brennan

Director

On behalf of Pearson Education Limited

Designated member

28.09.2017

Educational Publishers LLP

STATEMENT OF MEMBERS' INTERESTS

For the year ended

31 December 2016

	Members' capital	Other reserves	Amounts due to/ (from) members	Total members' interests
	£'000	£'000	£'000	£'000
At 1 January 2015	7,800	(3,533)	(1,486)	2,781
Total comprehensive income for the financial year	-	163	-	163
Loans to members	-	-	(419)	(419)
At 31 December 2015	7,800	(3,370)	(1,905)	2,525
Total comprehensive expense for the financial year	-	(404)	-	(404)
Loans to members	-	-	(252)	(252)
At 31 December 2016	7,800	(3,774)	(2,157)	1,869

Educational Publishers LLP

NOTES TO THE FINANCIAL STATEMENTS

For the year ended

31 December 2016

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Accounting policies

The principal accounting policies are set out below. These policies have been consistently applied to all the years presented.

Basis of preparation

Educational Publishers LLP is a partnership incorporated in the United Kingdom under the Limited Liability Partnerships Act 2000. The address of its registered office is 80 Strand, London WC2R 0RL.

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) as issued by the Financial Reporting Council. The financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 2006 as applied to Limited Liability Partnerships and in accordance with the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships'.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the partnership's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101. Where required, equivalent disclosures are given in the group financial statements of Pearson plc.:

- a) the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment
- b) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1;
 - (ii) paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
 - (iii) paragraph 118(e) of IAS 38 Intangible Assets;
- c) the requirements of paragraphs 10(d), 10(f), 16, 38(a), 39(c), 40(a-d) and 111 of IAS 1 Presentation of Financial Statements;
- d) the requirements of IAS 7 Statement of Cash Flows;
- e) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- f) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- g) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- h) the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets

These financial statements are separate financial statements.

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended

31 December 2016

Accounting policies

Going concern

The members believe that preparing the financial statements on a going concern basis is appropriate due to the continued financial support of the ultimate parent company, Pearson plc. The members have received confirmation that Pearson plc intends to support the company for at least 12 months from the date of signing these financial statements.

Foreign currency translation

The financial statements are presented in pounds sterling (£) which is also the company's functional currency.

Transactions in currencies other than the functional currency are recorded using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied and services rendered, stated net of discounts, returns and value added taxes. The partnership recognises turnover when the amount of turnover can be reliably measured and when it is probable that future economic benefits will flow to the entity. This is considered to be the delivery date.

Taxation

Under s118ZA Income and Corporation Taxes Act 1988, the partnership itself is tax transparent and is not subject to either income or corporation tax. The taxation that is payable on the profits of the partnership is the liability of its members.

Intangible assets

Goodwill is initially measured at cost, being the excess of the fair value of the consideration transferred over the net assets acquired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. The UK Companies Act requires goodwill to be reduced by provisions for depreciation on a systematic basis. However under IFRS goodwill is not amortised. Consequently the partnership does not amortise goodwill but reviews it for impairment on an annual basis or whenever there are indicators of impairment. The partnership has therefore invoked a 'true and fair' override in respect of goodwill.

Intangible assets arising on the acquisition of publishing rights and titles are capitalised and amortised over their estimated useful lives of up to 20 years. The estimated economic lives are determined by taking account of the nature of the transaction and the opinion of the members.

Impairment of non-financial assets

Goodwill is tested annually for impairment. An impairment loss is recognised to the extent that the carrying value of goodwill exceeds the recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and value in use. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended

31 December 2016

Accounting policies

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined using the first in first out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. Provisions are made for slow moving and obsolete stock.

Creditors

Creditors are recognised initially at fair value and subsequently measured at amortised cost.

Pensions

The company participates in the Pearson Group Pension Scheme. This is a hybrid with both defined benefit and defined contribution sections but, predominantly, consisting of defined benefit liabilities.

The company is unable to identify its share of the underlying assets and liabilities of the Pearson Group Pension Scheme owing to information regarding non-active members and changes to the group structure including acquisitions and disposals. There is no contractual agreement or stated policy for charging the net defined benefit cost. In accordance with IAS 19 Employee Benefits (2011), the company recognises a cost equal to its contribution payable for the period. The sponsoring entity to this scheme is Pearson Services Limited.

Restatements

Certain comparative information has been restated to reflect a fairer comparison with the current year and to align with group policy. An amount of £1,061,000 has been reclassified from other operating income to turnover. This reclassification had no impact on reported results for the year ended 31 December 2015, nor on the total members' deficit as at 31 December 2015. As a result of this, it is deemed most appropriate to reclassify other debtors of £73,000 to trade debtors. This had no impact on reported results as at 31 December 2015.

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended

31 December 2016

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Critical accounting judgements and key sources of estimation uncertainty

In the application of the partnership's accounting policies, which are described in note 1 above, the members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are :

i) Intangible assets' estimated useful economic lives (note 7)

The annual amortisation charge for intangible assets is sensitive to changes in the estimated useful economic lives based on the future economic benefit of the asset. The useful economic lives are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and other sales factors.

ii) Carrying value of intangible assets and goodwill (note 7)

Goodwill is tested annually for impairment, and other intangible assets where an indication of impairment is identified. This requires estimation of the future cash flows from the business, which is treated as one CGU, and selection of appropriate discount rates to calculate the net present value of those cash flows.

The carrying value of goodwill and other intangible assets at 31 December 2016 are £970,000 and £910,000 respectively. Future cash flows are subject to inherent uncertainty but the members believe their current approved forecasts are appropriate due to recent product refreshes and new distributor channels.

Educational Publishers LLP

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended

31 December 2016

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Turnover

	2016	2015
	£'000	£'000
Continuing operations	2,357	2,149
Provision of services	2,357	2,149
Turnover	2,357	2,149

Turnover by class of business is as follows:

	2016	2015
	£'000	£'000
Educational publishing	2,357	2,149
	2,357	2,149

Turnover by geographical market is as follows:

	2016	2015
	£'000	£'000
United Kingdom	2,250	1,972
Europe, Australia and North America	79	127
Africa, Asia and Rest of America	28	50
	2,357	2,149

Educational Publishers LLP

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended

31 December 2016

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(Loss)/ Profit for the financial year before members' remuneration and profit shares

This is stated after charging

	2016	Restated 2015
	£'000	£'000
Staff costs	425	372
Amortisation of intangible assets :		
- publishing rights	165	183

Fees paid to the partnership's auditors, PricewaterhouseCoopers LLP, and its associates for services other than the statutory audit of the partnership are not disclosed in the partnership's financial statements since the consolidated financial statements of the partnership's ultimate parent company, Pearson plc, are required to disclose non-audit fees on a consolidated basis.

Audit fees in relation to the partnership are borne by Pearson Education Limited. For the year ended 31 December 2016 these amounted to £25,000 (2015: £25,000).

Educational Publishers LLP

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended

31 December 2016

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Staff costs

	2016	2015
	£'000	£'000
Staff costs		
Wages and salaries	386	301
Social security costs	18	31
Other pension costs	21	40
	425	372

	2016	2015
Average monthly number of persons employed by the company during the year	Number	Number
Selling and administration	4	6
	4	6

Educational Publishers LLP

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended

31 December 2016

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Members' remuneration

(Losses)/ profits are shared among members in accordance with the agreed profit-sharing arrangements.

	2016	2015
	£'000	£'000
(Loss)/ profit attributable to highest paid member	(404)	139
Average members' remuneration	(404)	82
Average number of members during the financial year	2	2

Educational Publishers LLP

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended

31 December 2016

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Intangible assets

	Product development	Publishing rights	Goodwill	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2016	-	4,438	1,759	6,197
Impairment	-	-	(789)	(789)
Transfers	14	-	-	14
At 31 December 2016	14	4,438	970	5,422
Accumulated amortisation				
At 1 January 2016	-	3,377	-	3,377
Charge for the year	-	165	-	165
At 31 December 2016	-	3,542	-	3,542
Net book value				
At 31 December 2016	14	896	970	1,880
At 31 December 2015	-	1,061	1,759	2,820

Educational Publishers LLP

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended

31 December 2016

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Stocks

	2016	2015
	£'000	£'000
Work in progress	-	41
Finished goods and goods for resale	123	136
	123	177

Educational Publishers LLP

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended

31 December 2016

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Debtors

	2016	Restated 2015
	£'000	£'000
Amounts falling due within one year		
Trade debtors	117	118
Other debtors	12	7
Prepayments and accrued income	9	26
	138	144
Amounts falling due in more than one year		
Prepayments and accrued income	17	51
	17	51
Total debtors	155	195

Educational Publishers LLP

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended

31 December 2016

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Creditors - Amounts falling due within one year

	2016	Restated 2015
	£'000	£'000
Amounts falling due within one year		
Trade creditors	45	443
Other creditors	168	45
Accruals and deferred income	76	179
	289	667

Other creditors contains £147,000 which is owed to Pearson Shared Services, which is a direct subsidiary of Pearson Education Limited.

Educational Publishers LLP

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended

31 December 2016

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Members' capital

	2016	2015
	£'000	£'000
Total members' capital	7,800	7,800

Members' capital was introduced on 25 August 2005. Members' capital contributions are set by reference to equity unit profit share proportions and are not repayable until the member retires.

NOTES TO THE FINANCIAL STATEMENTS continued
For the year ended
31 December 2016

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Retirement benefit schemes

The partnership participates in the Pearson Group Pension Scheme. This is a hybrid with both defined benefit and defined contribution sections but, predominantly, consisting of defined benefit liabilities.

The partnership is unable to identify its share of the underlying assets and liabilities of the Pearson Group Pension Scheme owing to information regarding non-active members and changes to the group structure including acquisitions and disposals. There is no contractual agreement or stated policy for charging the net defined benefit cost. In accordance with IAS 19 (Revised 2011), the partnership recognises a cost equal to its contribution payable for the period, which in the year ended 31 December 2016 was £21,000 (2015: £40,000). The sponsoring entity to this scheme is Pearson Services Limited and further details are disclosed in the financial statements of that company which are available from the Company Secretary, 80 Strand, London WC2R 0RL.

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended

31 December 2016

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Related party transactions

The company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with fellow wholly owned subsidiaries.

Educational Publishers LLP

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended

31 December 2016

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Ultimate parent undertaking

The immediate parent undertaking of Pearson Education Limited, the partnership's majority partner, is Pearson Education Holdings Limited.

The ultimate parent undertaking and controlling party is Pearson plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Pearson plc's consolidated financial statements can be obtained from the Company Secretary at Pearson plc, 80 Strand, London WC2R 0RL.